

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 845 - HB 1142**

March 18, 2011

**SUMMARY OF BILL:** Authorizes a municipality or county to file a petition with the Utility Management Review Board to dissolve a utility district within its jurisdiction if, after a hearing before the Board, the determination is made that the utility district deviated substantially from the amount or type of services it represented it would provide at the time of filing for incorporation; the utility district has the inability to provide or expand its services as represented at the time of filing for incorporation; or the utility district is financially distressed.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

**Assumptions:**

- Currently, no authority exists to dissolve a utility district. According to the Tennessee Association of Utility Districts, authorizing a local government to dissolve utility districts no longer in use will result in no fiscal impact to state or local government.
- According to the Comptroller of the Treasury, hearings will be conducted as part of the regular Utility Management Review Board meetings resulting in no fiscal impact to the state.
- According to the Municipal Technical Advisory Service, there will be no significant fiscal impact to cities.
- Dissolution petitions will be heard at regularly scheduled board meetings. Any increase in expenditures for local governments due to travel to and from a board meeting is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

/jdb